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President: Mr. ZNIBER (Morocco)

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The meeting was called to order at 10.20 a.m.

**GLOBAL BIOTECHNOLOGY FORUM (IDB.28/8;
IDB.28/CRP.3)**

1. **Mr. F. L. FIGUEIREDO** (Observer for Angola), speaking on behalf of the African Group, commended UNIDO on its efforts to improve the developing nations' socio-economic conditions by introducing new technologies, such as biotechnology, which was expected to bring significant changes in food availability, especially with regard to technology transfer. While supporting the outcome of the recent Global Biotechnology Forum held in Concepción, Chile, the Group felt that special attention must be given to the selection of the appropriate technology and to the implementation process so as to avoid undesirable consequences for the world's ecology. The Group therefore greatly appreciated the recognition that newly tried and tested technologies should be applied in a safe manner, within appropriate regulatory frameworks, to help improve agricultural productivity in developing countries. The subsidiary objectives mentioned in paragraph 4 of document IDB.28/8 should be addressed efficiently and in a timely manner.
2. The Group was concerned by the low participation of African and Asian countries in the Global Biotechnology Forum, given that they were the main stakeholders in the project, and their participation was pivotal to any discussions or decisions. Should such an important issue for the developing countries be hosted elsewhere, the Secretariat must find ways of covering the developing countries' participation costs.
3. **Mr. AREVALO** (Colombia), speaking on behalf of the Latin American and Caribbean Group (GRULAC), said the Group was particularly gratified by the contents of document IDB.28/8, which highlighted the main aspects of what was regarded as a priority issue on the region's agenda. It appealed to UNIDO Member States to implement the recommendations contained in the report and stressed the need to endorse the four initiatives proposed in the Final Statement adopted at the Forum.
4. **Mr. MURPHY** (Observer for Ireland), speaking on behalf of the European Union (EU) and of Bulgaria, Romania, Turkey, Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia and Serbia and Montenegro, said that the Union had participated actively in the lead-up to the successful Global Biotechnology Forum and, while gratified at the high turn-out, had been disappointed by the limited participation of African and Asian countries. The key task now ahead was to determine the best way of ensuring appropriate follow-up by UNIDO.
5. The European Union was convinced that any UNIDO follow-up activities should fall clearly within its mandate and objectives as set out in the 1997 Business Plan on the Role and Functions of UNIDO, the Strategic Guidelines and the medium-term programme framework, focusing on areas in which the Organization had a comparative advantage, in line with previous decisions of the governing bodies and the United Nations and taking UNIDO's financial and human resources fully into account.
6. Given the importance of inter-agency coordination and cooperation, UNIDO must also place its activities within the context of work being carried out elsewhere in the United Nations system and ensure that they did not duplicate, but rather complemented, existing international activities and built on that experience, within the framework of the ongoing system-wide approach. The Organization must also ensure that any follow-up activities assisted rather than hindered the implementation of the Cartagena Protocol. The Union did not, however, believe that UNIDO had a mandate or the capacity to lead the biotechnology efforts of the United Nations system.
7. Successful implementation of the Forum outcomes required that biotechnology should not be treated in isolation, but as one of the many technologies available to UNIDO for the fulfilment of its mandate. The European Union would continue to participate actively in the discussion on follow-up to the Forum. Unfortunately, owing to the late circulation of document IDB.28/CRP.3, it had been unable to give it due consideration, but looked forward to the Director-General's presentation of his report on the Forum to the forthcoming session of the United Nations General Assembly.
8. **Mr. TAKASU** (Japan) said that a number of key issues affecting the development of technology in developing countries had been identified at the Forum, including questions relating to scientific and technical capabilities, entrepreneurial skills in biotechnology, management and commercialization, private sector and public investment, intellectual property barriers and market access. It had also been recognized that follow-up activities would require inputs and actions from a wide range of international development agencies, other specialized agencies, the private sector and the scientific community. In that connection, UNIDO had recognized the limits of its own biotechnology mandate, its limited resources and the need to involve other agencies, organizations and partners, such as the International Centre for Genetic Engineering and Biotechnology (ICGEB).

9. However, UNIDO, while taking those limitations into account, could make specific contributions to the Forum's follow-up in potential applications for raising productivity, for effective environmental management and for poverty alleviation.

10. **Mr. CABAÑAS RODRIGUEZ** (Cuba) said that, given world conditions, the results of the Forum must not be allowed to be simply consigned to the archives. Biotechnology warranted special attention, as recognized by the General Assembly of the United Nations in resolution 58/200, in which it had noted the vital role of new technologies in raising countries' productivity and competitiveness and the need for measures to promote the transfer and diffusion of technologies to developing countries. The Global Forum had been a suitable framework for exchanging information, identifying the sector's strengths and weaknesses and seeing how it could be enhanced in order to generate well-being and improve quality of life in the developing countries and countries with economies in transition.

11. For over 20 years his country had backed the development of the biotechnology sector and, with UNIDO's help, had become a country characterized by sustained development in that sector, which could put its experience at the service of international cooperation.

12. The Forum had revealed the need for: political will on the part of Governments in favour of using biotechnology as an instrument of development; creating high-level scientific capabilities; creating an infrastructure with investment processes that would ensure research and production capacities; involving the academic community in industry and utilizing firms' innovative capacity; creating specialized centres, with an important role played by regional cooperation; and facilitating technology transfer.

13. In the light of the above, his delegation supported the Forum's follow-up proposals, especially the proposal for the establishment of a working group on follow-up. His delegation suggested that the Secretariat should set up an informal working group, open to all interested countries, to work with the working group on follow-up.

14. **Mr. GONZALEZ ANINAT** (Chile) said that his delegation strongly supported the previous speaker's proposal for the establishment of an informal working group.

15. Biotechnology was an essential tool in a world in which—unlike the past when development had depended on the possession of natural resources or cheap labour—the key to progress was the capacity to create new technologies. Biotechnology was the most powerful instrument for creating better living conditions

with sustainable and more equitable development. The advance of modern technology had been meteoric and in the last quarter of 2002 more patents had been applied for in the United States of America than the entire previously existing portfolio.

16. In a society in which wealth was highly concentrated geographically and 25 per cent of the world's population lived on under one dollar a day, UNIDO had called for a debate on the future of the development of biotechnology in order to make it available to all countries. United Nations General Assembly resolution 57/237 had given the Assembly's support to the Global Biotechnology Forum, jointly organized by his Government and UNIDO, and the Forum's universal mission had been made clear at the preparatory meetings held on the various continents.

17. The Forum's main aim had been to consider how biotechnology could solve the poorest countries' development and poverty-alleviation problems. It had been an organizational success and an opportunity for mature, forward-looking dialogue. He expressed appreciation to all those involved, including the four countries that had hosted the preparatory meetings, and thanked IGCEB for its support for the scientific agenda. Attainment of the Forum goals called for: creation of a database on biotechnology activities in United Nations Member States and in the developing countries; creation of a biotechnology business intelligence agency; capacity-building in developing countries, especially with regard to biodiversity, patents, intellectual property and public perception; and the creation of biotechnology information and business networks.

18. UNIDO's establishment of technology centres in Italy and India should be replicated in Latin America. In that regard, his Government was endeavouring to implement a national biotechnology policy, which would shortly be the subject of a parliamentary debate on a framework law. It was also conducting important biotechnology initiatives through its National Council for Science and Technology Research (CONICYT) and its Textile Promotion Corporation (CORFO), and had created consortia linking the private sector, academics and the Government in a joint research and development scheme. The Government was also devoting substantial resources to the establishment of a biotechnology centre at the University of Concepción, with the business sector's active participation.

19. The first diploma course in biotechnology in the world, developed at the University of Concepción with the help of eight academics from different countries, would be upgraded to a master's course in 2004 and would include intellectual property and public perception. With UNIDO's help and on the basis of the Forum's conclusions, the Government would soon be seeking the most flexible mechanisms for following up

those conclusions in Latin America and the Caribbean, which his Government was willing to coordinate.

20. Chile supported UNIDO's idea of creating a permanent forum for an informed dialogue on biotechnology, with information networks and the development of scientific, technical and entrepreneurial capacities. Follow-up must be based on existing good practices and put biotechnology at the service of economic and social development, and called for coordination of the various countries' efforts in the areas of biotechnology application, particularly bioindustry.

21. The Chilean Government proposed the creation of a regional forum—comprising representatives of the specialized agencies of the United Nations system, Governments, regional cooperation agencies and all social sectors—for dialogue among all partners concerned with the development of biotechnology so as to create an environment favourable to its use and to sustainable development.

22. Chile also proposed action to generate support for national and regional training initiatives, particularly in the following fields: access to technologies; creating national and regional consortia for technology management; forming regional capacities in the regulatory area, including biosafety, laws and intellectual property regulations; and collating good biosafety practices in the region in order to design a model system that countries could adapt and adopt, based on strict scientific, health and environmental rules that did not harm national and international trade through excessive regulation. That cooperation could take the form of subregional seminars of biosafety experts with the participation of other partners, including experts from countries outside the region.

23. The current state of intellectual property protection in the region should be analysed so as to highlight shared characteristics, defects and good practices and harmonize existing systems. Mechanisms should be identified for encouraging cooperation and competitiveness in the various fields of biotechnology, considering how the various countries' industries complemented one another, and cooperation agreements with other regions promoted. The "Bio Bio Region" International Centre for Biotechnology in Concepción could become a nucleus of excellence as part of a network of research institutions promoted by international agencies. A system for facilitating access to technology should also be set up for the countries of Latin America and the Caribbean, with the principal aim of promoting micro, small and medium-scale biotechnology industry. Such initiatives should be developed on the various continents, generating a global coordination system within UNIDO.

24. **Mr. CAMPUZANO PIÑA** (Mexico) said that, with its organization of the Forum, UNIDO had partly fulfilled the task assigned it in Agenda 21, adopted by the 1992 Conference on Environment and Development. The next step was the follow-up to be undertaken by UNIDO as part of the United Nations family, bearing in mind its mandate and the areas for future activity to be identified by the Board at the current session, thus implementing General Conference resolution GC.10/Res.7 of 2003.

25. UNIDO should endorse the four initiatives mentioned in the Final Statement and actively participate in two of them: the Platform for Dialogue on Biotechnology and contributions to the creation of a biotechnology information network. The other two initiatives were more appropriate to other specialized agencies that could devote more resources to them. The World Intellectual Property Organization (WIPO), for example, could play an important role in determining the implications of intellectual property for biotechnology, providing mechanisms that facilitated countries' access to it. UNIDO, in adopting a decision on the agenda item, should restrict its activities to specific areas within its competence, with full awareness of its budgetary limitations.

26. Regarding the International Centre for Science and High Technology (agenda item 10), his delegation considered that that Centre should do more by way of promotion and dissemination of its activities and programmes in all Member States, perhaps through the UNIDO field offices. The Centre's know-how and technology could be used in the training of science and technology personnel in States in need of specialists in certain scientific areas.

27. **Mr. ZHANG Yan** (China) welcomed the success of the recent Global Biotechnology Forum and thanked the Chilean Government for its great contribution. He was proud that his own country had been able to contribute to the Forum by hosting one of the four regional meetings. His Government supported UNIDO's intention to conduct biotechnology activities within its spheres of competence so that the developing countries could create wealth, raise their people's standards of living and endeavour to keep pace with the developed countries. He hoped that UNIDO would build upon the results of the Forum and the four regional meetings in order to devise, as soon as possible, practical follow-up plans that would benefit the developing countries in the area of biotechnology.

28. **Mr. RIPANDELLI** (International Centre for Genetic Engineering and Biotechnology (ICGEB)) said his Centre was extremely gratified to have been closely associated with the preparatory work for the Forum, which had been a great success.

29. The document distributed by the Secretariat summarized the highlights relating to the Forum, including prospective follow-up, and gave those who had not attended a clear picture of the event and a clear perception of the work ahead, of which there was a great deal if the Forum was to be remembered as more than another gathering of scientists, decision makers and stakeholders with no real subsequent effect. In that regard, UNIDO-IGCEB cooperation would be a key element.

30. IGCEB, formerly a UNIDO special programme but now an autonomous international organization, had for 17 years been working closely with the United Nations common system as a centre of excellence for research and training in genetic engineering and biotechnology, with special attention to the needs of developing countries and countries with economies in transition. Its activities had led to the publication of hundreds of scientific papers in international journals, fellowships and training for thousands of scientists, research grants totalling over US\$ 12 million for the implementation of demand-driven research projects in Member States' national laboratories, the filing of international patents protecting inventions derived from work in its laboratories, and the signing of 65 technology transfer agreements with industrial partners in Member States. Many of the transfers had already resulted in the introduction of biopharmaceutical products based on IGCEB technologies in important markets.

31. Although the Centre's work might not yet suffice to ensure that the developing world benefited from all the potential of biotechnology, given the Centre's current constituency, its results were encouraging and augured well for the future. The Centre, with 51 full members, was mainly supported through the generosity of its two host countries' Governments, and had only one member—Italy—in the industrialized world and an annual budget of US\$ 15 million, 95 per cent of which went directly to research and training.

32. What was needed was to provide the facilities, research, training programmes, access to intellectual property and funding for national research activities that would create in the developing world a critical mass capable of optimizing the promises of biotechnology. But to do so globally might require a substantial increase in IGCEB's dimension and constituency, with the help of like-minded Governments in the industrialized world that saw science and technology, and especially biotechnology, as an essential tool for sustainability. While IGCEB was prepared to make every effort to ensure access to biotechnology for developing countries, it also needed support from developing and industrialized countries alike. He would happily provide representatives of UNIDO Member

States that were not members of IGCEB with all the information they needed in order to join.

33. In line with the agreement between the two organizations, which foresaw their active collaboration and joint implementation of biotechnology activities, an enlarged IGCEB constituency would help strengthen its collaboration with UNIDO and ensure the successful follow-up of the Global Forum.

34. **Mr. REZVANIAN RAHAGHI** (Islamic Republic of Iran) expressed appreciation to the Chilean Government for hosting the Forum and to other Governments that had contributed to its preparation. Given the importance of the subject, UNIDO should seek measured responses to the results of the Forum. He also supported the idea of establishing an informal working group to prepare recommendations for UNIDO's future action.

35. **Mr. MIRITI** (Kenya) said that he would like to make a general statement.

36. The *Annual Report 2003* (IDB.28/2) encompassed all UNIDO's activities for sustainable industrial development, not only as an engine of growth and structural transformation in developing countries, but also as a strategy for achievement of the Millennium Development Goals. UNIDO's interventions in the developing economies were critical if they were to find a way out of the poverty trap. The Organization's new concentration on facilitating trade access to world markets for small and medium enterprises (SMEs) in developing countries was vital since most of those countries' manufacturers lost out on the benefits of global trade liberalization; hence the usefulness of the recent signing of an agreement between UNIDO and the World Trade Organization to address that problem. Kenya had been chosen as one of nine pilot countries for the programme.

37. He welcomed the qualitative and quantitative increase in technical cooperation delivery and was gratified that many of the projects concerned had won national and international awards for excellence. He noted the increase in the number of integrated programmes and Country Service Frameworks (CSFs) and was encouraged to learn that they were contributing to attainment of the Millennium Development Goals and that an evaluation in six countries across the globe had shown that the integrated programmes were instrumental in increasing exports and creating jobs.

38. His delegation wished, however, to see a more robust approach to their implementation; in the case of his own country, only modest progress could be reported in its integrated programme which, if implemented, would have considerable multiplier

effects. However, UNIDO's past interventions in various sectors of the Kenyan economy were laudable and had contributed to capacity-building.

39. While the Kenya integrated programme, focusing as it did on leather goods, agriculture, fisheries and dairy products, was in line with the new Government's Economic Strategy for Wealth and Employment Creation, UNIDO-funded studies had revealed some gaps in the various programme components. A review should be carried out in order to facilitate the inclusion of identified new areas such as rural energy efficiency and the development of women's and youth entrepreneurship. He appealed for additional funding for the implementation of the programme and thanked the Italian Government for agreeing to fund its leather component.

40. His Government appealed for UNIDO support for its prospective two-phase policy framework for industrial transformation by the year 2020. The first phase focused on the promotion of micro, small and medium enterprises, and the second on that of capital-intensive manufacturing industries to help move the economy away from dependence on low-technology industries and the processing of agro-products. He urged UNIDO to increase its activities in Africa through the Africa Productive Capacity Initiative, in accordance with General Conference resolution GC.10/Res.3, and wished to know exactly what progress had been made in helping launch that Initiative.

41. His delegation commended the Director-General's efforts to rationalize the Organization's field operations and hoped that its decentralization would be undertaken as part of the overall United Nations reform process and with a view to further strengthening technical co-operation delivery. Decentralization should be seen as a means of improving UNIDO's work, and any future arrangement with UNDP must respect UNIDO's core competences and unique identity and seek to expand its field presence. UNIDO could only continue to fulfil its role as the competent body for designing and implementing programmes to assist industrial development efforts if all Member States supported its programmes through provision of the necessary resources. He hoped that the appeal to all current and former Member States to clear outstanding arrears would be heeded.

42. **Mr. RWENDEIRE** (Managing Director, Programme Development and Technical Cooperation Division) expressed his appreciation for the delegations' positive comments on and support for the work of the Global Biotechnology Forum and the follow-up process. The Secretariat took note of the constructive suggestions offered by various delegations, which it would use as guidelines. It welcomed the suggestion for the creation of an open-ended discussion group on biotechnology. Follow-up activities would proceed

according to the Organization's mandate and the availability of its human and financial resources. In conclusion, he thanked Chile for its support in the preparations for and implementation of the project.

DATE AND PLACE OF THE ELEVENTH SESSION OF THE GENERAL CONFERENCE (IDB.28/11; IDB.28/CRP.8)

43. **Mrs. FEROUKHI** (Algeria), speaking on behalf of the Group of 77 and China, welcomed Colombia's offer to host the eleventh session of the General Conference in Cartagena de Indias. She welcomed the commitment of the Government of Colombia to bear the extra costs of the event with a view to the adequate participation of all Member States. The Conference would provide a great opportunity to strengthen UNIDO's field presence, to draw the attention of the international community to sustainable industrial development and to encourage new Members to join and former Members to rejoin the Organization.

44. **Mr. SERRANO CADENA** (Colombia) speaking on behalf of GRULAC, said that one of the factors that favoured the candidature of Cartagena as the venue for the next General Conference session was the fact that the Latin American countries were involved in a process of internationalization of their economies in which industrial development and competitiveness were at the top of the economic agenda, and various free trade agreements had been signed.

45. Given UNIDO's important presence in the region, the hosting of the General Conference in Colombia would provide an opportunity to broaden the range, scope and impact of programmes developed by the Organization's regional office in Bogotá. The recently completed Integrated Programme for Colombia had yielded excellent results in terms of improved industrial performance and improvements in the competitiveness of small-scale industrial enterprises.

46. The Colombian Government was fully committed to bearing the additional costs incurred by holding the Conference away from Vienna. There would be further discussions in order to finalize decisions on the financial aspects.

47. He appreciated the Organization's interest in and consideration of the proposal, including its inspection of the location and the facilities available for international events.

48. **Mr. NETO** (Observer for Angola), speaking on behalf of the African Group, welcomed the offer made by the Government of Colombia to host the next session of the General Conference and requested that conditions be created in order to facilitate the participation of all Member States.

49. **Mr. MURPHY** (Observer for Ireland), speaking on behalf of the European Union, recalled that Colombia had already successfully hosted a number of international conferences; he therefore welcomed the proposal to hold the next General Conference session in Cartagena, which reflected Colombia's interest in promoting UNIDO's aims and objectives. There were many advantages in holding the sessions of governing bodies at Headquarters, and a departure from established practice could only be made after careful consideration of all the consequences. The EU appreciated the information provided on financial aspects of the proposal. Some issues needed further clarification, including the details of the costs to be met by Colombia and how the costs of the Industrial Development Forum and round tables, travel by representatives from the least developed countries and the attendance of high-level representatives would be met. The EU was mindful of the Board's duty to ensure that the Organization's limited financial resources were put to optimal use. A decision on the proposal must be taken in time to allow sufficient preparation for the Conference, and the EU therefore requested written clarification of the issues concerned, particularly those relating to financial aspects, as soon as possible, and urged that a decision be taken at the next session of the Board.

50. **Ms. KADI** (Jordan), speaking on behalf of the Asian Group, said that the Group welcomed Colombia's offer but considered that any additional costs directly or indirectly related to the holding of the Conference should be borne by the host country. Since the success of the event depended on universal participation, the Asian Group hoped that the necessary steps would be taken to provide participants with a safe and satisfactory working environment and to ensure the participation of as many LDCs as possible.

51. **Ms. SANGASUBANA** (Thailand) supported Colombia's proposal and expressed appreciation for the Director-General's efforts to consult closely with the Colombian authorities with regard to the organization of the event. Her delegation hoped that agreement on the matter could be reached as soon as possible in order for Conference preparations to begin. Assistance should be offered where necessary to the least developed countries in order to facilitate their participation.

52. **Mr. JUAREZ** (Mexico) welcomed the Colombian Government's offer and urged the Board to take a decision as soon as possible on the proposal. Mexico would follow closely the negotiations between UNIDO and the Colombian Government with a view to a successful meeting within the established financial parameters concerning the holding of a Conference session away from Headquarters.

53. **Mr. DERY** (Philippines) recalled that the General Conference had held sessions in Bangkok in 1987 and Yaounde in 1993. In view of the valuable experience gained on those occasions, it would be historically and symbolically appropriate for the Organization to stress its industrial development mandate by holding the next General Conference session in Colombia. He therefore supported Colombia's offer to host the session in Cartagena.

54. **Mr. INKIRIWANG** (Indonesia), recalling the success of international events previously hosted by Colombia, including the 1992 session of the United Nations Conference on Trade and Development and the 1995 Summit of the Non-Aligned Movement, said that he fully supported Colombia's proposal.

55. **Mr. PAULINICH** (Observer for Peru) expressed certainty that the session of the General Conference in Cartagena would be a success and that participants would be able to enjoy highly satisfactory facilities. The Peruvian delegation would be happy to participate in informal consultations on the matter.

56. **Mr. CHIKANDA** (Zimbabwe), said that his delegation welcomed the offer by the Government of Colombia to host the next General Conference session, which should be attended by high-level government officials from African States and experts from the Permanent Missions in Vienna. It therefore requested that UNIDO should create the necessary conditions and financial arrangements to ensure the full and effective participation of all Member States, particularly the least developed countries, without affecting UNIDO programme priorities.

57. **Mr. SVENDSEN** (Norway) said that he wished to associate the Norwegian delegation with the statement made on behalf of the European Union.

58. **Mr. ASIEGBU** (Nigeria) said that, while the Nigerian delegation welcomed Colombia's offer in principle, as well as the efforts made to meet the conditions required for such an important event, it was concerned as to how Nigeria's national interests and those of the African region would be taken into account at a General Conference session held in Cartagena. Such concerns were of particular significance in an election year for the leadership of UNIDO.

59. Noting that, out of the 1,500 participants at the Global Biotechnology Forum, less than 20 had come from Africa, he said that it would be very difficult for some developing countries to be adequately represented in Cartagena. There were very few African ambassadors in the Latin American region who could provide the necessary logistical support for a delegation, and the

Missions to the United Nations in New York would be too busy with General Assembly negotiations to help. The costs of attending the event in Colombia would be exorbitant and limit African participation, and the burden on the Secretariat in an election year would be tremendous. It was important not to divert attention from such a major event.

60. Holding the Conference session away from Vienna might also have unintended negative consequences for the transition process itself. Further consultations were therefore needed before a final decision could be made.

61. **Mr. AREVALO** (Colombia) thanked all delegations for their support throughout the informal consultations. A considerable task lay ahead in ensuring that all concerns regarding Colombia's proposal were given due consideration. Colombia would take into account the comments made. Consultations had been held with the EU, continuing the fruitful cooperation that had proved possible in other areas, such as that of narcotic drugs. Colombia would prepare a draft decision taking into account the views expressed.

INTERNATIONAL CENTRE FOR SCIENCE AND HIGH TECHNOLOGY (IDB.28/1/Add. 1)

62. **Mr. DE CEGLIE** (Italy) recalled that the broad outline of the draft statute presented by Italy for the International Centre for Science and High Technology (ICS) and contained in annex III to document GC.10/7/Add.1 had been approved in General Conference decision GC.10/Dec.19, but that certain articles had been referred to the Board for approval in order that the statute as a whole might be finalized and adopted. Noting with satisfaction the constructive consultations that had taken place, he said the proposal was that the Centre should become a permanent subsidiary body of UNIDO, based on the understanding that Italy had made a clear political commitment to continue to ensure its financing. He drew attention to article IV, which stated that the Centre's budget would be financed from voluntary contributions and that the funds and assets of the Centre would be administered and accounted for separately from the assets of UNIDO. The new statute also opened the door to further sources of financing, which he hoped would be forthcoming given that the Centre had been extremely useful.

63. Article VI stated that the Steering Committee for the Centre would include representatives of Governments selected by the Industrial Development Board in order to ensure an equitable geographical representation of Governments. Whereas the decision-making process relating to the activities of the Centre had so far involved only UNIDO and Italy, future decisions would be taken by a broadly representative

committee, making the Centre a fully fledged international body.

64. Informal discussions had highlighted concerns that UNIDO might incur financial liability once the statute had defined the Centre as a UNIDO organ. To eliminate that problem, it had been agreed in the consultations that the statute should be approved but would not come into effect until the Board, at its next session, had been able to examine proposals by the Secretariat and the Italian Government to establish clearly in writing that there would be no risk of liability on the part of the Organization and that any risk would be assumed by Italy. The relevant document would be presented at the next session.

65. **Mr. AREVALO** (Colombia), speaking on behalf of GRULAC, expressed thanks to UNIDO and particularly to the Government of the Russian Federation for launching the "East-South" Cooperation Programme for International Technology Transfer for the benefit of Latin America and the Caribbean, as well as for the establishment in Moscow of a Russia-Brazil Centre for Technological Cooperation, with the aim of enhancing the technology promotion, transfer and diffusion process through the UNIDO network of international and national technology centres. The objective was to bring together the region's governmental policy makers in the areas of industry, science and technology as well as business and industrial leaders, and to help to bridge the needs of industry, capital and markets for new products and processes with the existing technology base.

66. **Ms. CLERY** (Observer for Ireland), speaking on behalf of the European Union, welcomed efforts to facilitate the adoption of a new statute for ICS. The EU supported the proposals and looked forward to the adoption of the relevant draft decision by the Board.

67. **Mr. SAHINBAS** (Turkey) said that the enhancement of productivity and development was largely driven by technological progress, upgrading and diffusion. Turkey therefore welcomed UNIDO's intention to place emphasis on technology diffusion in the delivery of its technical cooperation activities.

68. Given that the international technology centres affiliated to UNIDO provided useful inputs to the Organization's activities, it was noted with satisfaction that since 2002 ICS had begun to strengthen its project-oriented strategy, focusing on the preparation and promotion of international projects. Those who had had an opportunity to visit ICS had been highly impressed with the work carried out there.

69. The Turkish delegation hoped that the new statute, once in force, would provide ICS with the tools to better

fulfil its objectives and more efficiently perform its functions.

70. **Mr. ZHANG Yan** (China) commended the successful work of ICS, which was the result of the support provided by the Italian Government as well as close cooperation between Italy and UNIDO. The Chinese delegation hoped that ICS would continue to expand its cooperation with UNIDO Member States, assuming an ever increasing role in helping developing countries to promote sustainable development, eliminate poverty and attain the Millennium Development Goals, and that it would expand its cooperation with Chinese institutions and enterprises.

71. **Mr. VELASQUEZ TUESTA** (Observer for Peru) said that the Peruvian delegation had been impressed by the facilities and services offered by ICS, which together with those of other Centres were useful in assisting the development efforts of developing countries, and hoped that the Board would take a decision on the issue.

72. **Mr. MAGARIÑOS** (Director-General) expressed appreciation on behalf of the Secretariat for the draft statute proposed by Italy, as well as for the investment of the Italian Government in ICS, which had enabled UNIDO to support the efforts of many developing countries to enhance their participation in technology, trade and investment flows. He apologized for the late distribution of information concerning the problem of ensuring that the new statute would not entail any financial burden on UNIDO Member States, underlining that additional efforts would be made to implement the proposal agreed on in informal consultations. He thanked delegations for their understanding; he was sure that all the difficulties would be overcome in the same spirit of cooperation as had prevailed in the past.

MATTERS RELATED TO INTERGOVERNMENTAL, NON-GOVERNMENTAL, GOVERNMENTAL AND OTHER ORGANIZATIONS (IDB.28/12 and Add.1)

73. **Mr. LILLIE** (Society for International Development) said that the Society for International Development (SID) had been created in 1957 and had enjoyed consultative status for many years. It was a unique global network of individuals and organizations concerned with development, consisting of over 3,000 individual members in 125 countries, 55 institutional

members and 65 local chapters. Working with more than 100 associations, networks and institutions, it took a holistic, multidisciplinary and multisectoral approach to development and social change. Through region-oriented international programmes and activities, SID strengthened collective empowerment and facilitated dialogue and knowledge-sharing, attaching particular importance to supporting development innovation at all levels to overcome poverty, injustice, gender inequality and lack of sustainability.

74. SID welcomed the newcomers to the list of non-governmental organizations in consultative status with UNIDO, fully aware of the need to ensure as broad a basis as possible for the Organization's development efforts. Different viewpoints and practical experience would strengthen the Organization and help it to respond effectively to its clients' needs.

75. Peace and prosperity could not be achieved without partnerships involving Governments, international organizations, the business community and civil society. Recognizing UNIDO's endeavours to establish partnerships with civil society organizations (CSOs) through its CSO Resource Centre, SID welcomed the involvement of CSOs in ongoing and planned projects, such as the agro-industry projects in West and North Africa, youth entrepreneurship in Uganda, women's entrepreneurship in Viet Nam and biomass technology in the Sudan. The stakeholders in the policy dialogue associated with the Global Compact were not only corporations, Governments and international organizations but also non-governmental organizations. In future, a more explicit report could perhaps be provided on UNIDO's cooperation with CSOs and non-governmental organizations in the field, as well as with those organizations that had consultative status with UNIDO.

76. The **PRESIDENT** said that the Bureau had examined the applications from organizations for consultative status contained in documents IDB.28/12 and Add.1 and found them to be in order. He would be presenting a draft decision on the subject to the plenary.

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77. The **PRESIDENT** drew attention to the documentation on the agenda item and noted that no delegation had asked to take the floor on the item.

The meeting rose at 12:20 p.m.